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THE POST-WAR NATIONAL LIFE OF JAPAN

By

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I. Post-War Confusion.

While heaving a sigh of relief at the termination of hostilities, the people of Japan, in 1945, found themselves in utter stupor, uncertain about their future with nothing in their mind to rely upon. Their daily life, already destitute since during the war, was thrown into further privations after the war. There were no immediate prospects of shattered means of communications being rehabilitated; water supply was undependable, the distribution of gas was so meagre that household gas ranges were hardly usable, electricity supply was intermittent with the result that room lighting was frequently out of supply, throwing their living quarters into utter darkness. And, the darkness literally symbolized the prospect of life that lay ahead of them, With most of the people virtually without means to eat and clothe, the situation was made still worse with a variety of crimes mushrooming as public morality dropped to the lowest level imaginable.

While, on the one hand, Japan was deprived of all sources of raw materials as a sequence to the defeat in the war, people, on the other, vied each other in hoarding vital commodities. The government was at a loss

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how to ameliorate the aggravating food situations, resulting from the reluctance on the part of the farmers to turn in the alloted amount of harvested rice. To make things worse, the rice crops in 1945 recorded the worst in the preceding thirty-six years, with the total crops throughout the country standing at mere 39,150,000 *koku*, while the average should amount to no less than 62,000,000–63,000,000 *koku*. This inevitably entailed a sharp decline in the supply of daily necessities, giving impetus to the tendency for commodity prices to soar up, which had virtually put a spiralling inflation into motion. The labor wages, in the meantime, remained on low level in spite of the rising prices; people's livelihood, unavoidably, continued in deficit, accompanied with labor disputes for higher wages. In order to sustain their living, people simply had to utilize the mushrooming "black markets" and sally forth into the rural districts to seek whatever commodities they could not hope to obtain through legal routes.

The overall privations of the people in general were sharply contrasted, meanwhile, by enormous profits garnered by a handful of persons, who, taking advantage of the wartime economic dislocations, had the means to buy up huge stocks of rice and other vital commodities. They had the audacity to live in luxury, while most of their fellow-countrymen were forced to hover on the verge of virtual starvation. Moral degradation, thus, was unavoidable, which, naturally, entailed an astounding increase of crimes, especially juvenile delinquency.

Ever since during the war, a majority of the Japanese nation were suffering from malnutrition, which persisted even after the end of war. The situation continued to aggravate to such an extent that not few of the tramps huddled under the roofs of major railway stations as well as those feeding themselves at coupon centers died of malnutrition and starvation. Similar cases of starved death were also reported among some of university professors and justice officers who refused to get foods from "black markets," but were content with what were made available through legal "rations".

The gravity of the situation further intensified in 1946. People were without job and food. With the inflationary trends still rampant with unabated force, abode-less tramps were allowed to multiply in numbers. The newspapers, day in and day out, reported cases of violent crimes committed all over the country. Hoarded commodities, in the meantime, were being "uncovered". In March, that year, the old yen currency was "frozen" to be replaced by the new yen note, as an emergency financial measure to tide over the impending crisis. The May Day rally held on the Imperial Palace plaza, on May 1 that year, presented a memorable scene by literally covering the spacious outer grounds of the Imperial Palace with Red flags.

This was closely followed on May 12 by a horde of popular demonstrators, who, on the spur of the moment, stampeded into the precincts of the Imperial Palace with the cry that they be supplied with rice. On the 19th of the same month, another "May Day" parade was staged under the slogan that the people be fed.

In the meantime, in August, the labor unions of the National Railways workers, seamen, coal miners and newspaper and broadcasting workers unfurled a jointly-fought dispute. Rations of rice were frequently behind schedule, or they simply failed, throughot the country. The delivery of rice everywhere lagged so much that, eventually, the government were forced to resort to compulsory authority to gather the minimum quantity of the staple food it considered to feed the nation. The acute shortage of foodstuffs, the succession of labor disputes and strikes, recurrence of criminal offences and the rampancy of infectious diseases, including louse-borne typhus, indeed, literally symbolized the extent of social disorder and unrest the contemporary people had to live in.

The nation's production in 1947 was estimated at mere one-third of the pre-war figure. The situation was made even worse as more than ten million persons began to repatriate from overseas regions. The supply and demand was naturally entirely out of balance. Rations of rice were frequently behind schedule or, even worse, totally failed. Coupled with this was the successive rise of the price of the staple food, coal and of railway fares. The inflation was in full swing, necessitating the pay base to be altered at an interval of every several months. Such, however, was inadequate to meet the spiralling commodity prices, and people at large were driven to seek refuge out of the dire picture in the government-operated lotteries (started in April).

The housing situation continued to be as bad as ever, people being compelled to live in dug-outs. Paper was in utter shortage; newsprint had to be distributed for making school textbooks. The tabloid-size one sheet newspapers were the only ones issued (November, 1946).

The labor crisis, culminating in the declared general strike on February 1, 1946, was barely averted by an emergency step taken by the Allied Headquarters. In 1948, labor disputes faced increasingly bitter oppressions and in July, that year, General MacArthur, in a special directive, demanded that government workers be dispowered to go on strike.

There was an evident change noted in the course of government policy in general, which was commonly nicknamed "reverse course." The prospect of the national life, however, became a little better. Especially in the field of food supply, the nation could heave a sigh of relief as the Occupation

authorities took successive steps for releasing imported foodstuffs and as the farm crops were expected to be more satisfactory than during several preceding years.

Mr. John Dodge, president of the Detroit Bank, who came to Japan with the rank of minister, in January, 1949, at the request of the Allied Headquarters, advised the Japanese government that the compilation of a balanced budget was a matter of urgency, which would prove instrumental in checking the tides of inflation which had been in rampancy ever since after the war. While social unrest was still in evidence and was being exemplified in the succession of such criminal cases as the Teikoku Bank mass-murder, the Showa Denki scandal, in 1948, and the cases of the suspected murder of the then President Shimoyama of the National Railways and the Mitaka and Matsukawa incidents in which trains were either derailed or upturned, indications between 1948 and 1949 were that the national life would be gradually stabilized.

II. Life in Destitution.

In the face of the increasingly destitute livelihood of the working classes in general in the wake of the drastic rise in commodity prices, especially in the prices of daily necessities, which had been brought about by the spiralling inflationary trends in evidence both during and after the war, the government, as late as February, 1946, moved to take steps for preventing further aggravation of such tendency, and, pursuant of the fundamental policy, promulgated an Emergency Financial Measures Decree, by which the old yen was frozen to be replaced by a new yen currency as well as payments out of standing bank deposits were placed under strict restrictions. This was closely followed by another decree, on March 3, when a Commodity Price Control Decree was put into force.

From March on, the payment of salaries and wages in general was limited to ¥500 in cash per month, the excess to which being payable in blocked accounts, which, again, were to be released to the amount of ¥300 for every householder and ¥100 for each member of a household. The criterion was based on the estimate made by the Section of Commodity Prices of the Ministry of Finance about the monthly household expenses of a worker in the urban area. It was obvious, however, that no proper living was possible within the framework in view of the unabated rising tendency of commodity prices as well as the unsatisfactorily functioning ration distribution. Voices were raised from about April for an expansion of the framework. The ¥500-base living was simply impossible also according to the investigations conducted by the Ministry of Social Welfare and Japan

Household Problems Institute. Eventually, the criterion of ¥500 was expanded to ¥700 in January, 1947.

The limited availability of cash and the difficulty in acquiring foodstuffs forced the nation to maintain mere subsistence by selling items of personal property, which included not only clothings and personal effects but also household utensils. These, sold out by city dwellers, found their way into the remote countryside.

The mode of living in which people were forced to literally "strip" themselves of whatever possessions they happened to own, gave rise to "exchange markets," from about the beginning of 1946. At first mainly sponsored by public organizations, these markets by degrees developed into commercial and professional fairs, which thrived on the outskirts of big cities from about the middle part of that year. For exchange of commodities, those commissioned with transactions received commission fees ranging between 5 % at the lowest and 30 % at the highest. Department stores and public organizations, sponsoring such exchange fairs, would be content with the lowest rate of fees, while professional fairs would levy fees usually higher than 10 %. These markets, however, were, in substance, not for commissioned exchanges but fairs for transactions in secondhand goods, the price level at which they were commissioned and at which they sold being said to have seen a discrepancy of no less than 30 %.

The drastic rise of living expenses following the end of war was mainly due to the repeal, in November, 1945, of the government control over perishable foodstuffs. According to an investigation conducted by the Ministry of Public Welfare, as of January, 1946, the living expenses of a factory worker in six big cities stood, at ¥1,104.50, those of the nationwide average at ¥ 777. 38, and those of a salaried man at ¥1,580.68. In any of these cases, their actual income was evidently inadequate to meet the expenses. The deficit resulting from this, was ¥290–1,069 in the case of a laborer and ¥ 354–1,213 in the case of a salaried man, both dwelling in six big cities, with the nationwide average standing at ¥308–621 in the former case and ¥371–639 in the latter case. The condition, unabated, prevailed for every succeeding month, and the extent of destitution experienced by the working classes was simply beyond description. Their "eat-by-strip" mode of living was an inevitable recourse.

Expenses of eating, of course, were largely accountable for the continued deficit in the living expenses. The percentage the eating expenses occupied in the whole living expenses stood at 32.6 % in 1927, at 34.69 % in 1936, at 39.98 % in 1940–1941, and at 36.15 % in 1944, it seldom surpassing the mark of 38–40 %. The percentage, however, rose to as high as 72 % in 1946. In contrast to this, striking was the decline of the spending percentage for cultural

and recreational occupations: in pre-war years, salaried men usually spent about 15 %, and factory workers 14 %, of their income for such diversional purposes, but, after the war, they could afford to spend mere 2–3 %, or, at times, even just 1 %, for recreational purposes. They managed to eat, true, but they could hope for nothing more; they had to lead a life of beasts.

On the basis of a statistical survey of the household expenses of the working classes in Tokyo from after April, 1946, when the Board of Commodity Prices seriously embarked upon a systematic investigation of living expenses of city dwellers, the figure, in April, 1946, stood at ¥1,243 (about the double and a half of what prevailed in October, 1945). Although the rising tendency slightly slackened in 1947 and 1948, the situation, on the whole, was little better. In 1946, the percentage occupied by eating expenses stood at about 72%, it declining by 5 % in the following year. From November, 1947, immediately following the harvesting the season's crops, to 1948, the percentage remained at about 60 %, except June, 1948, when the general price level was revised, for then, the percentage reversed to 65.5 %. These figures show that, with the gradual amelioration of the situation, working people in general were in a better lot, with more funds being allotted to purposes other than mere eating for subsistence, and, in this sense, their standard of living, though by slow degrees, was being improved.

In point of deficit, again, this was evident, while, in 1946, the deficit stood at 12.5 % against the actual income, the percentage dropped to 6.4 % and 1.7 %, in 1947 and 1948, respectively, the tendency being for a recovery of a balance between the income and expenditures. Again, the percentage of the extra-work income against the regular-work income on the part of a householder stood at about 30 % in 1946 and 20 % in 1947, and, from after September, 1948, declined to roughly 10 %, which indicates a marked improvement in the structure of the household income.

The percentage the eating expenses occupied in the actual income still remained at nearly double of what it stood in the pre-war period, when it used to drop perceptibly as the social station of people advanced. Contrasting to this was to be noted a much small scope of such drop in post-war years, and this should be taken as an ample indication that the living standard of the nation in general is now comparatively lower than the pre-war level, due largely to the fact that most working people suffer from the heavy financial burdens just for the purpose of eating. Interesting to note, in this connection, is the tendency in the rural districts, where the eating expenses are on an upward trend, while they are gradually declining, in the urban areas. The standard of living, both in the urban and rural districts, is, thus, gradually coming closer to each other, which, in itself, indicates that the economic life of the nation

in general is about to enter a stage of stabilization.

Again, the living expenses for city dwellers could be classified into 57.8% for eating expenses and 21.5 % for expenses other than eating and clothing, in March, 1949. This, again, should indicate a gradual improvement of nation's standard living.

Percentage of Eating Expenses in Actual Income.

1943–1935			March, 1948		
Below	¥ 60	41.6%	Below	¥ 3,000	67.8%
〃	¥ 70	38.8%	〃	¥ 4,000	68.3%
〃	¥ 80	36.3%	〃	¥ 5,000	68.2%
〃	¥ 90	34.9%	〃	¥ 6,000	65.6%
〃	¥ 100	32.2%	〃	¥ 7,000	64.7%
Above	¥ 100	30.7%	〃	¥ 8,000	65.0%
			〃	¥ 9,000	63.3%
			〃	¥ 10,000	65.1%
			Above	¥ 10,000	60.1%

		Living Expenses	Eating Expenses	%
March, 1947	Tokyo	¥ 3,895	¥ 2,642	68
	Rural areas	¥ 2,745	¥ 1,053	38
March, 1948	Tokyo	¥ 8,422	¥ 5,816	69
	Urban areas	¥ 6,671	¥ 4,283	64
	Rural areas	¥ 7,823	¥ 3,627	46
November, 1948	Tokyo	¥ 12,723	¥ 8,149	64
	Urban areas	¥ 10,398	¥ 6,495	63
	Rural areas	¥ 12,513	¥ 7,184	57

III. Amelioration of Eating Life, Clothing and Living Conditions.

The extreme destitution which prevailed in respect to the supply of living commodities in post-war years was subsequently somewhat ameliorated by the successive release of imported foodstuffs and increased production of needed commodities. The percentage of the supply of living commodities, in 1951, reached 91 % against the pre-war level, which in the preceding year, stood at 102 %. The next table indicates the situation.

While the food situation improved after 1949, the improvement brought about was actually by dint of imports of foodstuffs bought with aid funds made available by America, which amounted to 25–30 % of the total demand. In 1950, for the first time since after the end of war, the government could carry

Index of Supply of Living Commodities Per Capita of Nation.
(With index for 1934–36 fixed at 100)

Items	Number of Cmmodities	1946	'47	'48	'49	'50	'51	'52	'53	'54
Comprehensive	80	57.6	65.2	68.8	72.8	81.2	91.4	102.7	111.0	111.5
Foodstuffs	28	61.8	70.4	74.2	78.3	83.4	89.5	95.9	98.5	98.5
(Staple food)	4	73.1	90.9	90.8	94.1	95.4	91.4	92.5	92.1	88.7
(Non-staple food)	23	52.3	53.6	60.4	65.3	73.3	87.6	98.3	104.0	106.0
Clothing	10	25.5	29.4	29.1	30.9	46.3	70.2	99.5	114.8	110.8
Abode	8	67.4	78.1	91.9	94.0	99.0	104.3	98.9	99.9	95.5
Heating	6	90.5	98.1	100.4	102.5	110.9	113.5	110.9	119.1	123.1
Miscellaneous	29	57.7	63.0	67.6	73.6	86.4	99.3	116.9	137.6	146.3

out food rations on schedule and without delays. The percentage of rice in the entire setup of foodstuffs consumed by the nation stood, in 1951, at 70–60 % in rice-producing regions, and at 50 % in rice-consuming regions. In some areas, the black market price of rice was even lower than the official price, while, in some cases, people even declined the rations, the amount thus refused amounting to no less than 500,000 tons in 1950.

The Food Distribution Corporation, charged with food rations since 1948, was ordered to be abolished by a GHQ memorandum issued toward the end of 1949, and was eventually disbanded in March, 1951. From April that year, private rice-dealers came back in business of the distribution of the staple food. In June, 1952, wheat and barleys were placed out of government control.

Similar steps were taken, in seccession, for perishable foodstuffs. Fruits were exempted from control in 1948, followed by pickles and vegetables, and, in April, 1950, control was removed from fresh fish and marine processed products, milk and milk products. This induced their equality to be improved and their marketing was rendered smoother, while their price-level became stabilized in proportion to the demand. The increased supply of these provisions and the comparative lowering of their prices brought about a corresponding increase in the consumption of protein and fats, resulting in the improved amelioration on the part of the nation as well as in the reduction in the amount of staple food transacted in black market. On the other hand, the supply and demand of the seasoning materials, likewise, became more stabilized, control being removed from table salt in January, 1950, from *miso* (bean paste) and Japanese sauce (*shoyu*) in July the same year, and from sugar in April, 1952. Thus, all varieties of food provisions, with the sole exception of staple food, were successively placed on free sale.

Notable in this connection was the increasingly bigger role played by wheat in post-war years in the food life of the nation as compared with the pre-war rice-centering life. Around 1952, the consumption of rice amounted

to mere 80 % of the pre-war figure, while that of wheat was three times as much as it was consumed in pre-war years, indicating the more important part being placed by imported wheat in feeding the nation. Considering, also, the amount of non-staple food provisions consumed, the nation's food life is significantly noted to have begun to be improved qualitatively rather than quantitatively.

The clothing situation was noticeably ameliorated in 1949–1950 as a result of rehabilitated production and the inactivity seen in the exports of clothing stuffs in the preceding year, which induced large quantities of stocked clothings to be released for domestic consumption. Silk, wool and artificial fibres were successively exempted from control after 1949, with only cotton retained under control. The control on cotton, likewise, was removed in March, 1950, with increasingly larger quantities of imported clothing stuffs being released for consumption and the condition of their supply and demand steadily regaining stability. At the same time, the ration coupons for clothings, which had substantially been suspended since April, 1950, were formally declared abolished on April 28, 1951. In the wake of the outbreak of the Korean War in June, 1950, however, the quotations for the fibre products showed a drastic rise until August the same year. The tendency was curbed temporarily late in September as the government strengthened control measures, and remained unfluctuated until the end of the year. The rising tendency was again in evidence as 1951 set in. In March, the price stood even higher than that which had prevailed in August the preceding year. After March, however, the unprecedented " boom " in fibre products terminated, the price indicating a sharp drop. In spite of this, the retail quotations have continued to take an upward trend ever since July, 1950.

The temporary receipt of foreign currency on the heels of the expansion of industrial installation sustained for several preceding years and the economic boom caused by the Korean War enabled imports in large quantities of raw cotton and wool, domestic production showed a sudden upward trend. This was coincided, in 1952, with a substantial drop in the exports of fibre products, which, then, were largely released for domestic consumption. This, coupled with the big increase in the supply of synthetic chemical products, brought the clothing stuffs to the top position among other daily necessities, which more or less registered substantial increases during 1952.

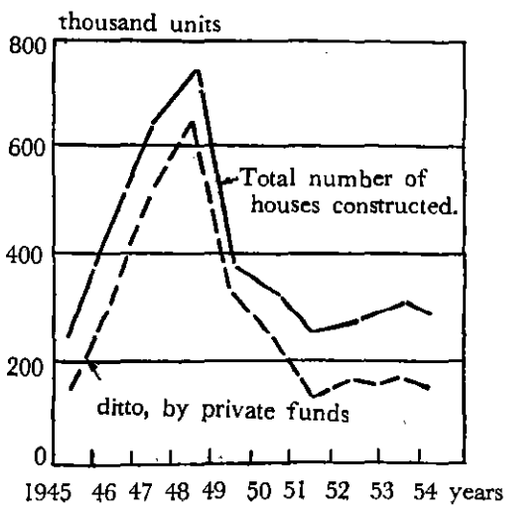
To cite the case of fibre products, consumption per capita stood at 3.9 lbs. in 1950 and 6.9 lbs. in 1951, which, in 1952, showed a rise to 10.5 lbs., even surpassing the pre-war level of 9.4 lbs. (an average of 1934–36 period). In 1954, indications were that the acute shortage felt in the supply of clothing stuffs in post-war years had largely been made up for. This, in

other words, means that demand was at a ceiling. Affected, also, by the government policy of retrenchment, consumption turned toward a downward trend. The consumption of fibres in 1954 showed a decrease of 0.17 lb. per capita as compared with that for the preceding year, 1953. Classified into categories, such natural fibres as cotton and wool showed a decrease, while, on the other hand, chemical fibres significantly registered an increase, as shown in the figures below.

Consumption per Capita of Fibres
Based on an investigation made by the Board of Economic Planning
(unit: pounds)

	Cotton	Silk	Chemical fibres	Wool	Hemp	Total
Pre-war average (1934–1936)	8.04	0.38	1.20	1.46	0.49	11.57
1953	7.32	0.23	4.29	2.01	0.58	14.43
1954	7.19	0.23	4.46	1.64	0.74	14.26

Next comes the housing problem. In spite of the fact that roughly 3,870,000 dwelling houses were built during the post-war decade ending in 1954, no prospect is yet in sight for a solution of the housing problem, which lags strikingly behind other problems, including the eating and clothing ones which have largely recovered to their respective pre-war levels. Immediately following the termination of the war, the shortage of housing was roughly estimated to amount to 4,200,000 units. By February, 1951, no less than 2,000,000 houses were erected, which, however, left the shortage amounting to 3,200,000 units, the apparent illogicality in the figure being explained by the fact that considerable numbers of abodes had in the meantime been destroyed by natural disasters and other unavoidable calamities at the same time that more living space was required by an expanding population. The year 1948 witnessed the largest number of houses constructed, the figure amounting to 740,000. After this, the trend was downward to such an extent that mere 286,000 units were built during 1950. The trend of housing construction during the post-war decade is as shown in the accompanying diagram.



The housing construction project found a new impetus in the enactment, in May, 1950, of a law for the inauguration of the Housing Financing Corporation, and in the passage by the Diet of ralative budgetary appropriations amounting to

¥15,000,000,000, with which to establish a financing organ exclusively charged with the construction of dwelling units. Cooperation of provincial public bodies and private banks would also be solicited for the purpose. Plans were formulated year after year for an increased and speeded-up construction of people's living quarters. The result, however, has been entirely unsatisfactory.

According to a survey undertaken by the Ministry of Construction in August, 1955, regarding the progress of the housing projects, no less than 2,700,000 units were found to be in shortage, amounting to 16% of the entire households. In terms of the number of mats allocable per capita, the pre-war level (1941) stood at 3.8 in cities with populations more than 200,000 persons while, in 1955, it dropped to 3.4. In terms of ownership, again, rented houses reached 76% of the entire dwelling houses in urban areas before the war (1941). After the war, such rented houses showed a marked decrease in number and in 1955 the percentage was mere 29% against the total residences. This, evidently, was due to the large expenses involved in possessing such rented houses as well as a shortage of funds needed for their construction. The low-income classes, chronically short of funds to erect their own living quarters, were, thus, to suffer most severely from the standing shortage of rented houses.

As conditions now stand, the acute housing situation is being rendered even worse by the new rising demand, continued disputes among the parties concerned relative to the demand being forced upon incumbent dwellers to evacuate their quarters to make room for new construction. The complicity of the situation is further exemplified by the alternative left with certain sections of commuters to live at a locality unreasonably distant from their site of work, or, in other cases, by the unavoidability faced by unlucky couples to live apart from eath other entirely owing to a lack of their living abode. Again, complaints have frequently been heard about the inadequacy of living accommodations and facilities in the newly and hastily constructed houses, where often consideration, allegedly, was lacking for sanction.

While the preceding lines, it is hoped, have made clear the extent of post-war reconstruction and rehabilitation in respect to the phases of national life including their eating, clothing and living conditions, further specified survey in terms of specific items of commodities and services will be made is the chapters to follow in an attempt to compare the aspects of national life before and after the war, respectively, based on authoritative figures available such as those, contained in the White Paper on National Economy for 1956 released by the Government.

IV. Rise of Consumption Level.

The near-starvation condition into which the national life immediately following the conclusion of the Pacific War was thrown in, was somewhat improved consequent upon the subsequent series of release for domestic consumption of the imported foodstuffs and the government measure aimed at compulsory of rice crops by farmers, as well as the utilization of wartime stocked materials for the production of articles of daily necessity.

In spite of this, however, the consumption level in 1946 was still as low as 50% against 100 for the 1934–36 period. The index for supply of daily necessities per capita in the same year, likewise, stood at mere 57.6% against the pre-war level. The acceleration of the inflationary trends in the subsequent few years worked to retard the progress of industrial recovery, forcing the national life to hover on the edge of starvation.

The new economic policy of retrenchment, commonly alluded to as the "Dodge Line," which was introduced at the critical juncture, was effective in bringing the rampant inflation to an end. This allowed the consumption level to effect a gradual rise, the index of which stood at 75 on a national average, classified into 65 for urban areas and 90 for rural districts, in 1949.

In 1950, when the Korean War broke out, the nationwide average was 79, including 70 for cities and 94 for rural regions. While, in 1951, the rate advanced to as high as 103 for farming areas, it, for urban areas, dropped to 69, this in spite of the unusual business boom brought about in the wake of American special procurement orders. This significant drop in the index for cities was evidently due to the unbalance seen in the military orders coming from the American forces and to the failure of wages to register rise in proportion to the rise in a short period of time. These factors, combined, forced the nationwide index to lag at 83.

National Consumption Level
(1934–36 average set at 100)

Years	Nationwide	Urban areas	Rural areas
1947		55.4	
1948		61.2	
1949	75	65	90
1950	79.5	69.8	93.5
1951	82.7	68.9	103.4
1952	94.8	80.2	116.6
1953	105.7	94.0	123.2
1954	111.0	100.0	127.5
1955	115.1	106.5	128.1

Based on Japan Statistics Yearbook, 1955

In 1952, the consumption level showed a sharp rise, with the nationwide index standing at 95, that for urban areas at 80 and that for farming districts at 117, which ushered in a peculiar "prosperity" usually referred to a "consumption boom". The phenomenon was interpreted to have been due to the higher

wage level introduced since the closing days of 1951 and drastic tax reduction, as relating to urban dwellers, and to the increased income from the sale of agricultural crops as well as from improved wage levels for rural inhabitants, which, combined, substantially aided people's private financial conditions in 1952. The decline in the exports, mainly of fibre products counter-balanced by a big increase in the imports toward the end of the preceding year, on the other hand, combined to bring the quantity of goods intended for domestic consumption to a big figure. This, coupled by the stability brought in the prices of consumption goods, resulted in a substantial elevation of the consumption level.

The tendency continued in 1953, the nationwide index standing at 106, that for city areas at 94 and that for rural districts at 123. This is understood to have been mainly the result of increased production effected in mining industries with the introduction of vast new financial investments, coupled with another major rise in the wage income and increased government expenditures for consumptive purposes. In the rural districts, however, the situation saw a slight change in the latter part of 1953, when, with the anticipated decrease of farm crops due to unsatisfactory harvests, the farming families had to expect a deteriorated level of consumption despite the resultant high price level of farm products. The rate of rise in their consumption level, thus, was considerably lower than that in the uraban areas.

In 1954, the tempo of the rise of the consumption level continued to slacken, with the national index standing at 111, that for urban areas at 100 and that for rural districts at 128. This is understood to be due to the continued government policy of economic retrenchment. In 1955, the index showed a slight rise, when the national index stood at 115, that for city areas at 107 and that for farming districts at 128. These figures amply show that the nation's consumption level, registering a gradual rise since after the end of the war, recovered its pre-war level in 1952, the upward trend continuing in the same shape until, eventually, the index even surpassed the pre-war figure.

To know what particular field in the nation's living expenses was affected by such rise in the consumption level, it would be necessary to make a survey on the fluctuations of the living expenses on the part of the nation.

Immediately following the end of the war, it was unavoidable that a major portion of the nation's living expenses was offered for the buying of foodstuffs sold in black markets. Their concentrated buying, on the other hand, inevitably spurred a black market prices in a spiralling fashion, which, however, in the autumn of 1948, indicated signs of decline on the heels of the release of imported foods on a major scale, which enabled the government to effect increased rations of the nation's staple food. After 1949, the prices witnessed a further sharp drop. This, obviously, favorably affected city dwellers, as is in-

dicated in the following table, which shows a classification into separate items of the living expenses on the part of city dwellers during 1948–1949.

	For eating	For clothing	For heating	For abode	For others
March, 1948	65.0	10.9	5.0	3.5	15.6
March, 1949	57.8	11.1	5.9	3.7	21.5

	Total	Eating	(Staple food)	(Non-staple food)	Cloth-ing	Heat-ing	Abode	Misce-llane-ous
1934–36	100	39.5	(13.8)	(25.7)	12.3	4.8	18.8	24.6
1951	100	53.3	(17.9)	(35.4)	13.0	4.7	4.8	24.2
1952	100	48.6	(16.6)	(32.0)	14.8	4.9	5.2	26.5

According to an investigation conducted by the Board of Statistics of the Prime Minister's Secretariat, the average monthly expenditures by a household after the virtual termination of the inflationary trends, ranged between ¥11,000 and ¥12,000 since after March, 1949. The figure, however, indicated an upward swing in 1951. In April, the same year, the amount reached the level of ¥13,164, marking an increase of ¥1,500 compared with April of the preceding year. The percentage of working household's expenditures as classified into item of commodities in 1951–52, as compared with the pre-war period, was as shown in the preceding table.

In the household expenditures for 1952, those for clothing, registering 51%, topped the list of the percentage of rise compared with the preceding year. Responsible for this is considered the increase in the household income coupled with a drop in the price of clothing stuffs, the latter factor inevitably inviting added purchases. This implied an increased demand for fibre products, which could, thus, be transferred for home consumption and this proved a welcome switchover because the fibre export industry, thus, was suffering from an acute inactivity. The percentage of rise for residence and sundry goods stood at 18 % and 11 %, respectively, whereas that for eating provisions and heating remained at a low level of 10 % and 7 %. From this, it may be said that the rise seen in the consumption level in 1952 was more due to an added weight placed on such items as would improve the contents of life than to the dire necessity of purchasing indispensable daily necessities. In a word, the consumptive life in urban areas witnessed a major change, both quantitatively and qualitatively, in 1952. The ratio of expenditures for each item by a household was gradually recovering what it had been in pre-war years, the Engel co-efficient dropping to 48.6 % in 1952 from 53.3 % in 1951. In 1953, the ratio proved

even more balanced, with that for residence, non-staple provisions, sundry goods, clothing and staple food standing at 19 %, 17 %, 15 %, 13 % and 6 %, respectively, in the order mentioned, which would be compared with the ratio for 1952 with special significance, for the expenditures for clothing stuffs registered a ratio of rise as high as 50 %.

The foregoing analysis amply explains that the rise in the consumption level between 1949 and 1950 was mainly due to an increased consumption of eating and clothing stuffs. Indeed, people rushed to buy whatever to eat and clothe themselves in utter disregard of a possible deficit in their household budget. As they could hope for a more or less balanced and stable supply of foods, they naturally turned toward improving their respective clothing and living situation. Statistics show that, between 1951 and 1953, the ratio of increase in the expenditures for clothing and residence stood at 72 % and 42 %, respectively, against mere 24 % for foods, while the average ratio for the entire urban households was kept at 32 %. As far as their consumptive life was concerned, people, in the 1953–55 period, were more concerned to spend more for their living quarters and other miscellaneous household items. While, for this particular period, the average ratio of rise in the comprehensive consumption level on the part of city dwellers stood at 5 %, practically no rise in the similar direction was observed as far as consumption of clothing stuffs was concerned. The increase for miscellaneous goods and residence was 12 % and 6 %, respectively. This evidently shows that, with a gradual rise of the consumption level, more money came to be spent for buying furniture and other household utensils and services. Especially striking was the drastic increase in the expenditures for such household articles as various electric appliances, the ratio of increased expenditures for them standing at 83 % over the 1951–1955 period. Of these electric and other utility appliances, radio receiving sets topped the list with about 400%, electric washers with 1400% and cameras with more than 500%. Expenditures for items of services, in the meantime, increased by 300% for papers of press and more than 80% for the utilization of busses (according to the White Paper on Economy, 1950).

Table of Ratio of Rise in Consumption Level as Compared with Each Preceding Years (For Entire Urban Households)

Years	Total	Food	(Staple)	(Non-staple)	Cloth-ing	Heat-ing	Resi-dence	Miscella-neous
1951	102.1	98.5	(95.6)	(100.1)	104.1	109.1	94.3	107.2
1952	115.4	110.0	(104.5)	(113.6)	151.0	107.6	118.4	111.6
1953	114.0	112.5	(106.3)	(117.0)	113.6	109.6	119.8	115.9
1954	100.1	98.4	(97.0)	(99.3)	95.5	100.3	99.9	106.2
1955	104.9	103.5	(101.9)	(104.5)	106.4	103.2	106.0	105.6

It is significant that such change in the structural setup of the nation's consumptive life in the post-war period was not a mere return to its pre-war shape consequent upon the improvement in their consumptive life, but a discovery of a new mode of life corresponding to new living environs in evidence after the war. This apparently is strongly substantiated by the fact that, while in the pre-war years household furniture consisted primarily of wooden articles, they after the war came to include an increasing number of metal articles, including such items, among others, as electric appliances. The same could be said, also, of the expenditures for miscellaneous purposes, where more money is now being spent for the purposes of education, enlightenment, recreation, health and sanitation, personal beauty, travelling, etc. A new aspect has likewise been introduced in the nation's diet. People now eat more bread, meat, eggs, and milk than ever before, while they consume less for clothing purposes and consume more gas, electricity and petroleum for heating. In a sharp contrast with such raised standard of the nation's consumption should be cited the problem of housing, which, in spite of all past effort both by government and private interests, still lags far behind all the other phases of the national life, the majority of the latter having by now been solved one way or the other.

Then, how are the household expenditures being balanced? As indicated in the following table, the weight of the householder's income and non-work income in the household's budget shows a marked increase as compared with the pre-war period. On the whole, however, the houshold finances, up to 1950, could be said to have continued in " red letters," while, after 1951, the deficit was nonexistent and, in 1955, the percentage of the household surplus reached as high as 8.2 %, with the percentage of pure savings standing at 5 %.

This, however, was not enough for the nation's daily life to regain its pre-war shape. Exhorbitantly higher rates of payable taxes were, of course, partly, accountable for this. Before the war, the rate of taxes paid was even less than 1 % of the net income, while, after the war, it was raised in rapid succession, and, although, during the recent several years, the tendency was to have it lowered, it, nevertheless, stood at no lower than 8.6 % in 1955. Unseen before the war, the nation has to pay also for social securities, the rate for which amounting to 3 % of their net income (based on the White Paper on Economy, 1956). This unavoidably induced to lower the ratio of consumption for consumptive purposes to 81 % in 1955, whereas it stood as high as 88 % in the pre-war years. It should not be overlooked, of course, that the post-war introduction of social securities expenditures has served to improve the stability of the household economy to the extent the burden is borne. In view of the far less amount of savings on the part of each household as compared with the pre-war period, however, the overall stability in the household economy as it stands now

may not be said to have recovered the shape it has enjoyed before the war.

Change in Structural Setup of Working People's Income
(Urban Dwellers)

	1926–27	1934–36	1955
Household members	4.00	4.03	4.00
Net income (yen)	90.14 (100)	75.06 (100)	28,132 (100)
Work income	82.32 (91.3)	70.07 (93.1)	25,141 (89.3)
(By householder)	77.54 (94.2)	68.26 (96.0)	23,314 (92.7)
(By wife or other members)	4.78 (5.8)	1.81 (4.0)	1,827 (7.3)
Out-of-work income	7.82 (8.7)	4.99 (6.6)	1,992 (10.7)

Remarks: 1. Net income includes "payments in goods."
2. Ratio for householder, wife and other members of the householders is against 100 for "work income."

Working People's Household Economy and Tax Burdens
(For City Dwellers)

Years	Members of household	Ratio of taxes	Ratio of surplus	Net savings
1926–27	4.20	0.4%	10.0%	8.4%
1934–36	4.12	0.2	11.7	10.5
1950	4.58	9.8	△1.0	△2.0
1951	4.68	9.8	1.8	△0.5
1952	4.77	8.8	4.0	2.0
1953	4.79	8.0	5.1	2.9
1954	4.80	9.3	6.6	3.6
1955	4.71	8.6	8.2	5.0

Remarks: 1. Ratio for taxes, surplus and net savings is for 100 for net income.
2. Net saving include those deposited to financial organs, such as bank deposits and insurance fees, etc.
3. △ indicates the "red letters"

V. Supplementary.

Obviously still some other aspects will have to be surveyed in order to describe fully the rehabilitation of the national life during the post-war decade. Available space, however, has now been exhausted and the present writer intends to bring this short essay to an appropriate conclusion by supplementing a brief allusion to the statistical figures, year by year, of the national income.

In terms of figure, the national income of Japan in 1950 stood at ¥3,361,000,000,000, and, as far as this figure is concerned, it was no less than 234 times as much as the pre-war figure (an average for 1934–1936 period). In the actual value, however, with the inflated price index duly taken account, the ratio stood at mere 80.5 % as compared with the pre-war level. With the ratio standing at about one half of the pre-war figure, with 52.4 %, it gradually and steadily recovered until, in 1953, it surpassed the pre-war mark with 102.8%.

The recovery, however, was superficial, and, at times, high misleading, for the apparent expansion of Japanese economy had been due, largely, to vast foreign aids, financial expenditures, currency inflation and business prosperity brought in the wake of the Korean War, and not the result of self-sufficient recovery based on a foundational rehabilitation of Japan's economic structure.

Similar causes for anxiety, thus, will be pointed in relation to the individual life of the nation. Despite the undeniable rise in their consumption level, their living conditions are even now little better and they have to pay much just for eating. High rates of taxes make it out of question for them to make any substantial savings. Considered by the way they spend their money, they seem to be in a position to enjoy a happy and plentiful life of consumption and " luxury ". As matters stand, however, their life is still far from being ample and resourceful, in the true sense of the terms, and, in the light of this, it should be hoped that the day will be forthcoming in a not distant future when freedom and responsibility are happily wed to each other, enabling people to wholeheartedly abide by law and order.